



OFFICE OF  
INSURANCE COMMISSIONER

TECHNICAL ASSISTANCE ADVISORY

T 2005 - 04

TO: All Health Carriers Issuing or Renewing Individual Health Benefit Plans

SUBJECT: Individual Health Plan Premium Change due to Policyholder's Age Increase to the Next Higher Age Bracket

DATE: April 6, 2005

It has come to our attention that some carriers issuing or renewing individual health benefit coverage may be violating the law that limits the timing of rate increases for individual insurance premiums to one per year. Specifically, it appears that carriers are implementing rate increases midyear if the policyholder has a birthday that places him or her into the next higher age bracket premium. This practice causes some individual policyholders to receive a premium adjustment more frequently than annually if their birthday falls between two annual rate change effective dates.

RCW 48.20.028(1)(f), RCW 48.44.022(1)(f) and RCW 48.46.064(1)(f) prohibit carriers from adjusting premiums more frequently than annually with a few exceptions. Increased age is not one of those exceptions. Therefore, for any policyholder whose birthday falls between two annual rate change dates, the carrier must wait until the next annual rate change effective date to move the policyholder to a new age category.

If you have any questions about this TAA, please contact Lichiou Lee, ASA, MAAA, Health Actuary, at 360-725-7128 or [LichiouL@oic.wa.gov](mailto:LichiouL@oic.wa.gov).